

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF ILLINOIS  
EASTERN DIVISION**

ClearOne, Inc.,

Plaintiff,  
vs.

Shure Incorporated and Shure Acquisition  
Holdings, Inc.,

Defendants.

Case No. 19-cv-7285

JURY TRIAL DEMANDED

**COMPLAINT FOR DECLARATORY JUDGMENT  
OF PATENT NON-INFRINGEMENT**

Plaintiff ClearOne, Inc. (“ClearOne”) files this Complaint against Defendants Shure Incorporated and Shure Acquisition Holdings, Inc. (collectively, “Shure”), and alleges as follows:

**NATURE OF THE ACTION**

1. This is a declaratory judgment action for non-infringement of U.S. Design Patent No. D865,723 (“the D’723 Patent”).

**THE PARTIES**

2. Plaintiff ClearOne is a corporation organized under the laws of Delaware with a principal place of business at 5225 Wiley Post Way, Suite 500, Salt Lake City, UT 84116.

3. Defendant Shure Incorporated is a corporation organized under the laws of Illinois with a principal place of business at 5800 W. Touhy Avenue, Niles, IL 60714.

4. Defendant Shure Acquisition Holdings, Inc. is a corporation organized under the laws of Illinois with a principal place of business at 5800 W. Touhy Avenue, Niles, IL 60714.

## **JURISDICTION AND VENUE**

5. This Complaint arises under the Patent Laws of the United States, 35 U.S.C. § 100 *et seq.*, and the Declaratory Judgment Act, 28 U.S.C. §§ 2201 and 2202, based upon an actual controversy between the parties with respect to the D’723 Patent, which upon information and belief, is owned by Shure Acquisition Holdings, Inc.

6. The Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

7. The Court has personal jurisdiction over Shure because, among other reasons, Shure Incorporated and Shure Acquisition Holdings, Inc. are both incorporated in this judicial district.

8. Venue is proper in this district pursuant to 28 U.S.C. §§ 1391(b)-(c) and 1400(b).

## **EXISTENCE OF AN ACTUAL CASE OR CONTROVERSY**

9. There exists an actual case or controversy between ClearOne and Shure relating to the design claim of the D’723 Patent.

10. ClearOne and Shure Incorporated have been litigating in this District since April 24, 2017, when Shure Incorporated filed a complaint seeking Declaratory Judgment relief with respect to two of ClearOne’s patents: U.S. Patent Nos. 9,635,186 (“the ’186 Patent”) and 9,264,553 (“the ’553 Patent”).

11. Since April 2017, ClearOne has brought patent infringement claims against Shure Incorporated in this District for infringement of the ’186 Patent, the ’553 Patent, and U.S. Patent No. 9,813,806 (“the ’806 Patent”). ClearOne has brought these claims in two lawsuits, which are currently pending in this District before the Honorable Edmond E. Chang as *Shure Inc. v.*

*ClearOne, Inc.*, Case No. 17-cv-03078 (N.D. Ill.) and *ClearOne, Inc. v. Shure Inc.*, Case No. 19-cv-02421 (N.D. Ill.).

12. On July 18, 2019, rather than file another action in this District, where ClearOne and Shure were already engaged in litigation relating to beamforming microphone array technology, Shure sued ClearOne in Delaware, accusing ClearOne of, among other things, infringing U.S. Patent No. 9,565,493. *See Shure Inc. v. ClearOne, Inc.*, 19-cv-01343-RGA-CJB (D. Del.) (“the Delaware Lawsuit”). ClearOne has moved to dismiss, or alternatively, to transfer the Delaware Lawsuit to this District. *See id.* at Dkts. 21, 29.

13. On August 5, 2019, the Honorable Edmond E. Chang granted ClearOne’s motion for a preliminary injunction with respect to the ’806 Patent. *See Shure Inc. v. ClearOne, Inc.*, 17-cv-03078 (N.D. Ill.) at Dkt. 551. The Court’s preliminary injunction is currently in effect.

14. On September 30, 2019, Shure received a Notice of Allowance for the D’723 Patent, and paid the issue fee on October 1.

15. On October 16, 2019, Shure received an Issue Notification indicating that the D’723 Patent would issue on November 5.

16. On October 17, 2019, before the D’723 Patent had issued, Shure accused ClearOne of infringing the D’723 Patent. (*See Exhibit A.*) Shure reiterated this claim on October 22, 2019, specifying that “ClearOne’s BMA CT product [] infring[es] the ’723 design patent.” (*See Exhibit B at 1.*)

17. The D’723 Patent issued at 12:00 A.M. Eastern Time on November 5, 2019.

18. Prior to the issuance of the D’723 Patent, no court had subject matter jurisdiction over any infringement claims relating to the D’723 Patent because the exclusive rights conferred by a United States Patent do not take effect until the patent formally issues.

## **FIRST CAUSE OF ACTION**

### **Declaratory Judgment of Non-Infringement of the D'723 Patent**

19. ClearOne hereby incorporates by reference its allegations contained in paragraphs 1 through 18 of this Complaint as if fully set forth herein.

20. ClearOne does not make, use, offer for sale, sell, import, or export, and has never made, used, offered to sell, sold, imported, or exported, a device or apparatus that infringes, either directly or indirectly, any valid, enforceable, and properly construed claim of the D'723 Patent.

21. ClearOne does not apply the allegedly patented design of the D'723 Patent, or any colorable imitation thereof, to any article of manufacture for the purpose of sale, nor does ClearOne sell or expose for sale any article of manufacture to which such design or colorable imitation thereof has been applied.

22. Specifically, ClearOne's BMA CT does not infringe any valid, enforceable, and properly construed claim of the D'723 Patent.

23. As set forth in detail above, an actual controversy exists between Shure and ClearOne concerning ClearOne's non-infringement of the D'723 Patent.

24. Accordingly, ClearOne seeks and is entitled to a judgment against Shure that the BMA CT, as well as any other ClearOne products that are not colorably different from the BMA CT, has not infringed and does not infringe (directly, indirectly, contributorily, or by inducement) any valid, enforceable, and properly construed claim of the D'723 patent.

## **PRAYER FOR RELIEF**

WHEREFORE, ClearOne prays for the following:

A. A judgment and declaration that ClearOne has not infringed and does not infringe, either directly or indirectly, any claim of the D'723 Patent;

B. A permanent injunction against Shure and its affiliates, subsidiaries, assigns, employees, agents, or anyone acting in privity or concert with Shure from alleging infringement or instituting any legal action for infringement of the claim of the D'723 Patent against ClearOne or anyone acting in privity with ClearOne, including the divisions, successors, assigns, agents, suppliers, manufacturers, contractors, integrators, and customers of ClearOne;

C. A judgment and declaration that this action is an exceptional case and awarding ClearOne reasonable attorney's fees pursuant to 35 U.S.C. §§ 284; and

D. A judgment for such other and further relief in law or equity as this Court deems just or proper.

Dated: November 4, 2019

By: /s/ Garret A. Leach

John C. Hueston, *pro hac application  
forthcoming*

Douglas J. Dixon, *pro hac application  
forthcoming*

Christina V. Rayburn, *pro hac  
application forthcoming*

jhueston@hueston.com

ddixon@hueston.com

crayburn@hueston.com

Hueston Hennigan LLP

523 West 6th Street, Suite #400

Los Angeles, CA 90014

Telephone: (213) 788-4340

And

Garret A. Leach, P.C. (IL 6237520)

garret.leach@kirkland.com

KIRKLAND & ELLIS LLP

300 North LaSalle

Chicago, Illinois 60654

Telephone: (312) 862-2000

Facsimile: (312) 862-2200

*Attorneys for ClearOne, Inc.*